

Geographic Selectivity

The last, and possibly the most important point, is that the Cable Networks are a National Medium while Spot Television is a market by market or Local Medium.

As with any national medium, the advertiser buys a ticket, sits down and takes a ride, with no control over how the advertising message will be delivered on a market-by-market basis.

An advertiser using spot television has control over what advertising weights are put in each market according to the advertiser's marketing strategy.

At TVB's 1993 Marketing Conference in Las Vegas entitled "Focus On The Future," Erwin Ephron, one of the top media consultants, presented "The Ultimate Spot TV Presentation." Here's what he had to say.

When you target independently, using only demographics, or time of the year, or geography, you will get something like the following results:

<u>Targeting By</u>	<u>Typical Targeting Indices</u>
Demographics	112
Time of Year	125
Geography	136

As you can see, the most effective targeting is by geography, better than demographics or time of year. That puts market-by-market Spot TV in an enviable position.

But there's more... the effects can be cumulative:

	<u>Indices</u>
Best Demos	112
Best Demos & Months	137
Best Demos, Months & Markets	173

Spot TV + Best (Demos/Time of Year/Markets) = Marketing Success

The Bottom Line


While cable talks a good game, it's **broadcast television that delivers.**

- The total market.
- Your target demos.
- Ratings of significant and meaningful size to impact the marketplace.

And, by placing a significant portion of your broadcast television dollars in market-by-market Spot Television, you can take advantage of one of the most powerful and effective marketing tools: geo-targeting using the most effective advertising medium...**TELEVISION.**

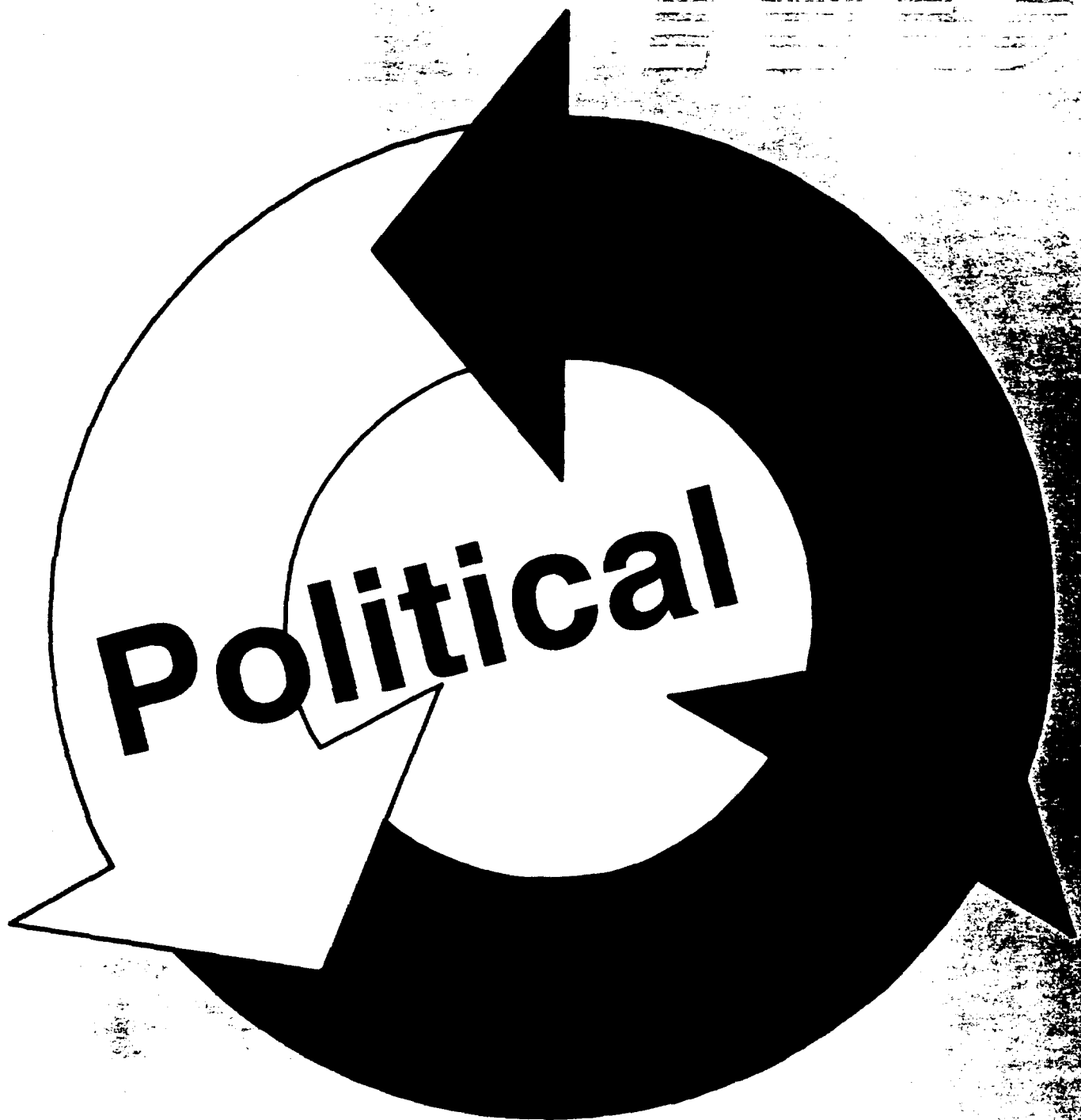


The Power of Spot Television



Television Bureau of Advertising
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For Political Advertisers Who Are Thinking Of Using Cable

When advertisers use cable, they miss much of the market. One-third of U.S. television homes have chosen not to subscribe to cable at all. Potential cable advertisers should be aware of how many homes in an area will not even have the option to see their message.

Many who are "able to watch" a particular cable network, do not. Of those homes which have cable, only small percentages watch any given cable channel. For example, 66% of U.S. television households "CAN watch CNN, but only 30% DO watch during an average week."

Estimated Weekly Reach of Major Ad Supported Cable Networks

CNN	30%
ESPN	35
USA	39
Discovery	25
Nickelodeon	29
Turner Network	35
MTV	21
Family Channel	23
Lifetime	23
Nashville	19

Source: Nielsen Cable Activity Report, 4th Quarter 1992

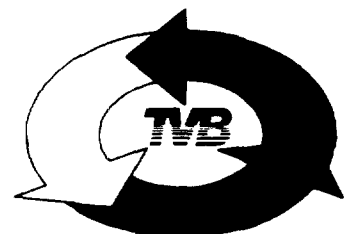
Cable ratings should be closely examined by potential advertisers to make sure that the same audience measurement universe is being used in the local market for both cable and broadcast delivery. Among ad supported cable networks, the average rating in TV households in prime time is 0.5, while the highest, U.S.A., had only a 1.4 rating.

	Rtg.
	All TV Homes
3 Networks	36.8
Independents (Inc. Fox)	11.7
Total commercial over-the-air	48.5
All Ad Supported Cable	13.6

All available data clearly indicates that even among cable homes, the majority of television viewing is on over-the-air broadcast stations.

	Rtg.
	All Cable Homes
3 Networks	35.2
Independents (Inc. Fox)	10.4
Total Commercial over-the-air	45.6
All Ad Supported Cable	20.3

Source: Nielsen Cable Activity Report, 4th Quarter 1992, M-S 8-11pm.





The Pricing of Cable vs. Broadcast Television.

While we don't have exact costs for cable systems or interconnects, it is possible to get an idea of how expensive cable is, relative to over-the-air broadcast from the *Media Market Guide* (an industry sourcebook used by advertisers and agencies to estimate media costs).

Attached are the costs for all listed systems or interconnects in the top 100 markets. (Primetime Fourth Qtr '94 where available.)

We have estimated what the cost **SHOULD** be, if cable were priced at the same efficiency as the average cost of a primetime broadcast spot. (Fourth Qtr '94)

COST COMPARISON: CABLE VS BROADCAST (1994)

Cable Systems	Number of Subscribers (in 000)	Cable's Average 30-Second Primetime Cost	What Cable Cost Should be if Equal to Broadcast CPMs
1) NEW YORK, N.Y.			
NEW YORK INTERCONNECT	3650	2000	456
CABLE TV ADV. ASSOC	219	150	27
CONNECTICUT CABLE CORP.	201	350	25
2) LOS ANGELES			
ADLINK	2000	1000	262
CABLE NETWORKS, INC.	750	600	98
3) CHICAGO, IL			
GREATER CHI CBLE INTERCONNECT	1261	750	102
4) PHILADELPHIA			
PHILADELPHIA CABLE ADV.	1309	980	192
5) SAN FRANCISCO-OAK-SAN JOSE			
BAY CABLE ADVERTISING	1127	550	183
6) BOSTON, MA.			
METROPOLITAN BOSTON INTERCONNECT	1300	750	286
CABLEVISION OF BOSTON	244	190	53
7) WASHINGTON, DC			
MEGA ADVERTISING	804	600	119
DISTRICT CABLE ADVERTISING	90	66	13
MULTIVISION	77	68	11
WEST CHESAPEAKE	65	54	10
8) DALLAS-FT. WORTH, TX.			
KBL-TV	63	55	7
TELECABLE TARGETING	56	40	6
9) DETROIT, MI			
DETROIT CABLE INTERCONNECT	889	573	71
COLUMBIA CABLE	60	29	5
10) HOUSTON, TX			
WARNER CABLE ADVERTISING	240	200	33
CABLE COMMUNICATIONS	135	NA	18
TCI CABLEVISION	115	85	16
11) ATLANTA			
CAMA	600	250	80
12) CLEVELAND, OH			
NORTHERN OHIO INTERCONNECT	663	515	78
WARNER CABLE - AKRON	105	95	12
WARNER CABLE - CANTON	74	75	9

Cable Systems	Number of Subscribers (in 000)	Cable's Average 30-Second Primetime Cost	What Cable Cost Should be if Equal to Broadcast CPMs
26) INDIANAPOLIS, IN	182	38	20
SUNRISE MEDIA INC.	84	NA	9
TRI-STATE INTERCONNECT			
27) PORTLAND, OR	180	90	22
KBL-TV	127	61	16
COLUMBIA CABLE			
28) MILWAUKEE, WI	180	90	15
MILWAUKEE CABLE AD			
29) CHARLOTTE, NC	245	270	29
CABLE ADNET	105	75	12
VISION CABLE ADVERTISING			
30) CINCINNATI, OH	185	145	15
WARNER CABLE COMM.	60	30	5
TKR CABLE			
31) KANSAS CITY, MO	185	125	22
AMERICAN CABLEVISION	85	90	10
TELECABLE TARGETING	69	80	8
JONES INTERCABLE			
32) RALEIGH-DURHAM, NC	203	275	28
CABLE ADNET	57	NA	8
DANBET H COMM., INC.			
33) NASHVILLE, TN	290	151	26
NASHVILLE INTERCONNECT			
34) COLUMBUS, OH	160	85	18
WARNER CABLE	82	50	9
COAXIAL COMMUNICATIONS			
35) GREENVILLE-SPARTANBURG- ASHEVILLE	132	75	8
TELECABLE TARGETING	41	60	3
TCI CABLEVISION			
36) GRAND RAPIDS-KALAMAZOO- BC,MI	122	78	12
MICHIGAN CABLE ADV	82	NA	8
CABLE ONE	48	25	5
CABLEVISION SYSTEMS			
37) BUFFALO,NY	319	196	34
CABLE MEDIA			
38) SALT LAKE CITY, UT	215	120	19
MOUNTAIN CABLE ADV.			

Cable Systems	Number of Subscribers (in 000)	30-Second Primetime Cost	be if Equal to Broadcast CPMs
52) ALBANY-SCHENECTADY-TROY, NY			
ALBANY INTERCONNECT	143	100	15
METROBASE CABLE ADV	60	40	6
CABLE ADNET	35	NA	4
53) DAYTON, OH			
GREATER DAYTON CABLE	211	110	21
INTERCONNT.			
WARNER CABLE COMMUNICATIONS	93	30	9
54) JACKSONVILLE-BRUNSWICK, FL			
JACKSONVILLE INTERCONNECT	216	85	24
TOTALREACH CABLE ADV.	55	28	6
55) RICHMOND-PETERSBURG, VA.			
CONTINENTAL CABLEVISION	125	60	13
COMCAST CABLE ADVERTISING	57	36	6
56) CHARLESTON-HUNTINGTON, WV			
DIMENSION MEDIA SERVICES	45	15	5
57) FRESNO-VISALIA, CA.			
CONTINENTAL CABLEVISION	146	64	11
TCI CABLE ADVERTISING	29	20	2
58) LITTLE ROCK-PINE BLUFF, AR.			
COMCAST CABLEVISION	83	55	6
WEHCO AD-COM	64	NA	5
59) TULSA, OK			
TCI CABLEVISION	160	100	16
60) FLINT-SAGINAW-BAY CITY, MI			
COMCAST CABLEVISION	83	60	6
BRESNAN COMMUNICATIONS	38	16	3
COX CABLE	34	24	2
61) WICHITA-HUTCHINSON, KS			
MULTIMEDIA CABLE	97	50	9
62) MOBILE-PENSACOLA, AL-FL			
COX CABLE	73	70	6
COMCAST CABLEVISION	63	25	6
COX CABLEREP	61	32	5
SUNBELT CABLE	47	25	4
63) TOLEDO, OH			
BUCKEYE CABLEVISION	120	70	9
CONTINENTAL CABLEVISION	45	36	3
64) KNOXVILLE, TN			
KNOXVILLE INTERCONNECT	105	70	12
ADVERTISING ALTERNATIVES	57	NA	6

Cable Systems	Number of Subscribers (in 000)	Cable's Average 30-Second Primetime Cost	What Cable Cost Should be if Equal to Broadcast CPMs
78) SPOKANE, WA			
COX CABLEREP	86	55	8
IMPACT CABLE ADS	18	20	2
79) PORTLAND-AUBURN-ME			
PUBLIC CABLE ADVERTISING	57	45	6
VIDEO ADS	41	33	4
STATE CABLE	40	40	4
CABLEVISION	21	14	2
80) SPRINGFIELD, MO			
TELECABLE TARGETING	52	45	3
81) TUCSON, AZ			
TUCSON CABLE ADVERTISING	89	57	8
82) CHATTANOOGA, TN			
CHATTANOOGA INTERCONNECT	99	75	8
CHATTANOOGA REGIONAL	47	NA	4
INTERCONNET			
FALCON CABLE TV	19	16	2
83) CEDAR RAPIDS-WATERLOO-			
DUBQ,IA			
CEDAR RAPIDS INTERCONNECT	43	30	5
TCI CABLEVISION-WATERLOO	30	20	3
TCI CABLEVISION-DUBUQUE	23	18	3
TCI OF EASTERN IOWA	22	25	3
84) SOUTH BEND-ELKHART,IN			
INDIANA CABLE ADVERTISING	117	129	8
85) FORT MYERS-NAPLES, FL			
SW FLORIDA CABLE ADV.	165	75	25
TOTAL REACH INTERCONNECT	46	60	7
COMCAST CABLEVISION	35	22	5
86) MADISON, WI			
TCI CABLEVISION WISCONSIN	103	55	10
CROWN CABLE	27	25	3
CABLEVISION	19	20	2
87) HUNTSVILLE-DECATUR-			
FLORENCE, AL			
COMCAST-HUNTSVILLE	46	55	5
COMCAST-FLORENCE	29	30	3
CABLE ALABAMA	26	19	3
TCA INTERCONNECT	24	41	3
TELECABLE TARGETING	18	NA	2
88) DAVENPORT-ROCK ISLAND-MOLINE			
ILLINOIS CABLE ADV.	73	49	7
QUAD CITIES INTERCONNECT	59	35	5
TCI OF EASTERN IOWA	19	17	2

How comparisons were calculated:

Step One:

We calculated the percent of cable homes in a market that the cable system represents (*Media Market Guide* reported subscriber count versus Nielsen DMA 1993-94 TV HHs).

Step Two:

We determined an average rating of the top ten cable networks in the market (Nielsen DMA Total Activity Report, May '94).

Step Three:

We estimated the system's rating, based on the market's cable rating and the system's percent of cable homes in the market. (i.e., if the cable network's rating in the market was a .6, and a system represented 50% of the cable homes in the market, we estimated that the rating—on the system—was a .3).

Step Four:

Over-the-air broadcast's prime time cost per point for Fourth Quarter '94 is reported in the *Media Market Guide*.

Step Five:

Using the system rating, and the broadcast cost per point, an estimated system cost per spot was calculated.

Step Six:

This was then compared to the actual system cost per spot, as reported in the *Media Market Guide*.

Data in this report is limited to those cable systems reporting to the *Media Market Guide*. No cable system reported data in four markets (Minneapolis, Denver, Albuquerque and Green Bay).



Television Bureau of Advertising
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New York, NY 10022

APPENDIX L

Capital Cities/ABC, *ABC Puts Cable in Focus*, 1994

Capital Cities/ABC, *What's Up at Night*, 1994, excerpt

A B C

P U T S


C A B L E

I N F O C U S

ABC Primetime Is Fully National

ABC has coverage in 99% of the U.S. The top cable networks miss over one-third of the country.

% U.S. Households - Primetime

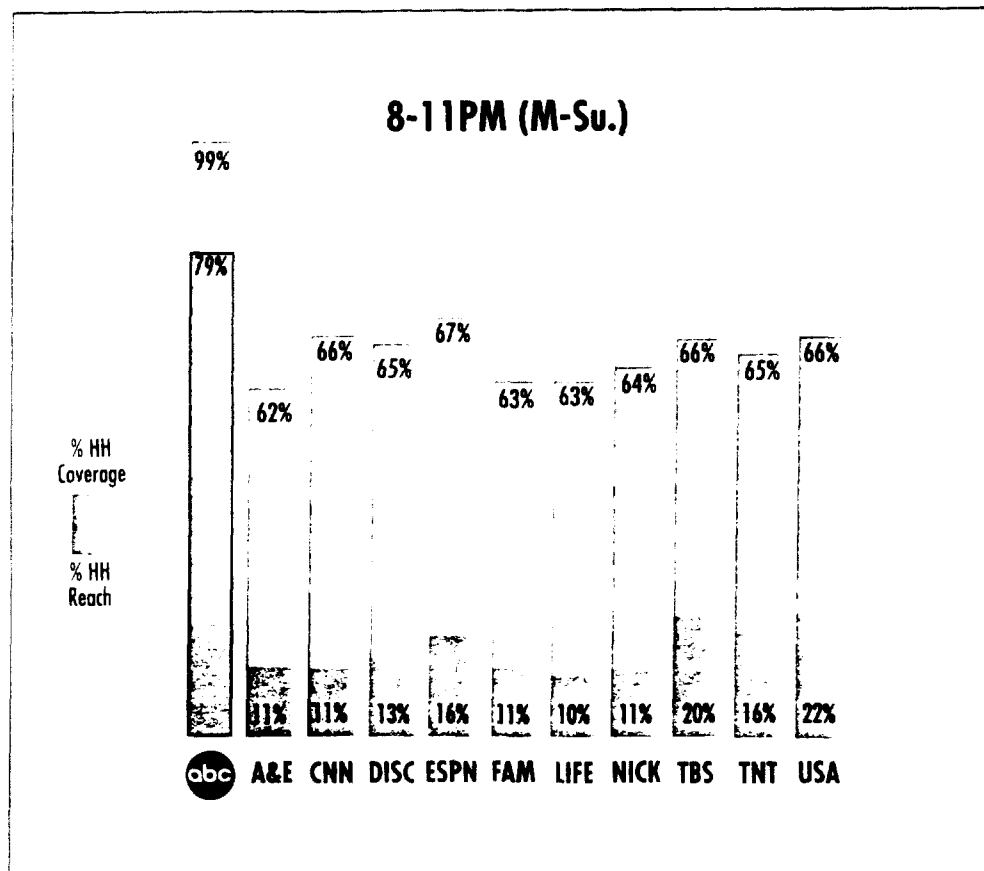
	Coverage	Non-Coverage
	99%	1%
A&E	62%	38%
CNN	66%	34%
DISC	65%	35%
ESPN	67%	33%
FAM	63%	37%
LIFE	63%	37%
NICK	64%	36%
TBS	66%	34%
TNT	65%	35%
USA	66%	34%

NTI, CNAD, 4th. Qtr. 1993 - 1st Qtr. 1994, 8-11 PM (M-Su.)

ABC Coverage Translates To Reach

During the average week, ABC Primetime reaches 79% of all TV homes, the large majority of its coverage area.

Unlike ABC, cable coverage does **not** correlate to cable viewing. For example, while 66% of TV homes have the capability to receive CNN, only 11% actually watch CNN in the average week.




NTI, NCAR, 4th Qtr. 1993 - 1st Qtr. 1994, Average Week Reach.

ABC Primetime Viewing Is Up

ABC's household ratings are up 2%. Basic cable shows no ratings growth.

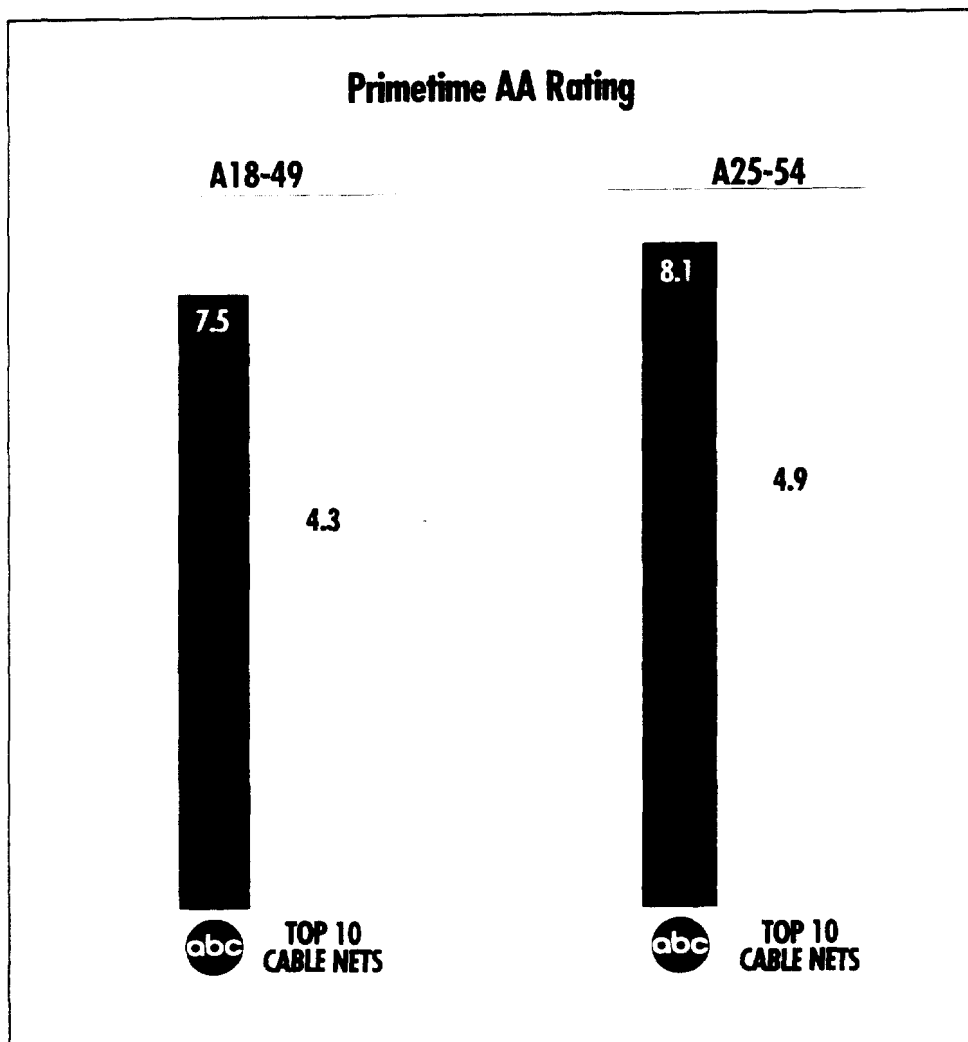
AA HH Rating - Primetime

	'93-'94	'92-'93	Net Change
	12.5	12.2	+0.3
Top 10 Cable Net Avg.	0.9	0.9	NC
A&E	0.6	0.5	+0.1
CNN	0.6	0.9	-0.3
DISC	0.7	0.7	NC
ESPN	1.1	1.3	-0.2
FAM	0.6	0.7	-0.1
LIFE	0.6	0.7	-0.1
NICK	0.7	0.7	NC
TBS	1.4	1.4	NC
TNT	1.0	1.0	NC
USA	1.5	1.5	NC

ABC - NTI, 9/27/93 - 5/29/94, 9/28/92 - 5/30/93, Regular Programs, 8-11 PM /7-11 PM (M-Sa./Su.)
 Cable - NTI, NCAR, 4th Qtr. 1993 - 1st Qtr. 1994; 4th Qtr. 1992 - 1st Qtr. 1993, 8-11 PM (M-Su.)

ABC Prime Makes Target Audience Impact

ABC delivers 74% more Adults 18-49 and 65% more Adults 25-54 than the top ten basic cable networks combined.




ABC-NTI, 9/20-5/30/94, Regular Programs, 8-11 PM/7-11 PM (M-Sa./Su.)

Cable-NTI, Cable Audience Composition Report, 4th Qtr. 1993.-1st Qtr. 1994, 8-11 PM (M-Su.)

Top Ten Cable Nets: A&E, CNN, DISC, ESPN, FAM, LIFE, NICK, TBS, TNT, USA.

ABC Prime Has A Better Premium Profile


Overall, ABC audiences have a better young adult and larger family profile than basic cable prime. ABC's upper income composition is about the same as cable's.

	Primetime Composition					
	% A18-49			% A25-54		
	Total U.S.	4+ HH	\$60K+ HHI	Total U.S.	4+ HH	\$60K+ HHI
	62%	46%	25%	60%	44%	27%
Top 10 Cable Avg.	51	42	26	53	38	29
A&E	43	36	31	50	34	33
CNN	27	39	40	33	34	46
DISC	50	42	26	56	39	30
ESPN	61	45	33	59	41	35
FAM	41	46	20	44	41	22
LIFE	53	40	25	55	36	27
NICK	72	35	23	70	32	25
TBS	58	43	22	60	38	24
TNT	59	45	27	59	41	29
USA	51	44	22	52	39	25

ABC - NTI - NAD, 9/20-4/17/94, Regular Programs, 8-11PM/ 7-11PM (M-Sa./Su.)
 Cable - Cable NAD, 4th Qtr 1993-1st Qtr 1994, 8-11PM (M-Su.)

ABC Offers The Best Major Market Leverage


ABC Prime helps to ensure delivery in the Top 10 markets. Basic cable viewership continues to lag in these key population centers.

Primetime AA Rating						
	A18-49			A25-54		
	U.S.	Top10	Index	U.S.	Top10	Index
	7.6	8.0	105	8.2	8.6	105
Top 10 Cable Avg.	0.4	0.2	50	0.5	0.3	60
A&E	0.2	0.2	100	0.3	0.2	67
CNN	0.2	0.2	100	0.2	0.2	100
DISC	0.3	0.2	67	0.4	0.2	50
ESPN	0.8	0.8	100	0.9	0.8	89
FAM	0.2	0.1	50	0.2	0.1	50
LIFE	0.3	0.1	33	0.3	0.1	33
NICK	0.3	0.2	67	0.9	0.3	33
TBS	0.8	0.3	38	0.7	0.2	29
TNT	0.7	0.2	29	0.7	0.3	43
USA	0.7	0.3	43	0.8	0.4	50

NTI, NSI, November 1993. February 1994 Data Was Excluded Due To The 1994 Winter Olympics.

ABC Prime Delivers More Light Viewers

Viewers who watch the least TV prefer ABC Primetime over basic cable. ABC also delivers a better balance between heavy and light viewers.

Primetime Reach Index				
	A18-49		A25-54	
	Quintiles I-III (Heavy)	Quintiles IV+V (Light)	Quintiles I-III (Heavy)	Quintiles IV+V (Light)
	115	83	111	84
Top 10 Cable Avg.	121	65	122	65
A&E	102	95	109	87
CNN	106	89	107	88
DISC	116	77	117	74
ESPN	129	53	130	55
FAM	123	64	122	63
LIFE	117	73	121	67
NICK	119	70	124	66
TBS	131	52	131	55
TNT	123	62	125	61
USA	128	56	127	59

NTI, Cume Facility, 11/15-21/93. One spot per quarter hour.





DID
YOU
KNOW



ABC TELEVISION NETWORK
SALES AND MARKETING




World News Now *Delivers*

- Outperforms CBS and NBC overnight news and CNN Prime

	HH (000)	ABC Advantage
 World News Now	870	—
 Up To The Minute	820	6%
 Nightside	630	38%
 Prime	566	54%

Nielsen 4th Qtr. 1993 - 2nd Qtr. 1994

- Efficient target CPMs

	A18-49	A25-54
 World News Now	\$ 2.04	\$ 2.08
 24 Hours	\$11.61	\$10.23
 Prime	\$16.23	\$13.85

ABC-TV and BAR costs applied to 4th Qtr. 1993 - 2nd Qtr. 1994 actuals

- Value-added opportunities

- | | |
|---------------------------------|---------------------------|
| ▪ ABC Radio Networks | ▪ NTN Hospitality Network |
| ▪ America Online | ▪ Screenvision |
| ▪ Capital Cities/ABC Newspapers | ▪ Selling Magazine |

**Include World News Now in your
media plans and sleep well.**

Contact Sheraton Kalouria at 212-456-6729 for more information.

